

**Waste Reduction Goal Task Force
BRIEFING PAPER
For
Financial Assistance**

Applicable Statutes

- **TCA 68-211-823(1) Development District Grants**
- **TCA 68-211-825(a) Recycling Equipment Grants**
- **TCA 68-211-825(b) Recycling Rebates**
- **TCA 68-211-828 Household Hazardous Waste Grants**
- **TCA 68-211-831 Waste Tire Clean-up Grants**
- **TCA 68-211-867(c)(3) Waste Tire Grants**
-

Background:

The Solid Waste Management (SWM) Act established the Solid Waste Management Fund and authorizes a variety of grants to assist local governments in meeting mandates in the Act. The Solid Waste Management Fund is comprised of a \$0.90 surcharge on each ton of municipal solid waste going to Class I landfills and \$1.25 of the pre-disposal fee collected from the retail sale of new tires. The 1996 amendment to the Act established match requirements for some grants. The following is a summary of the various grants provided under the Act. Previously, the Department has offered grants to purchase truck scales, provide education funding, large capital projects, and funding for innovative technologies. Since inception of the fund over 93 million dollars in various grants have been awarded. Current estimates suggest that there are still 80 million dollars in infrastructure needs still unmet.

Development District Grants - The Department funds to assist the development districts in revising data, maintaining district needs assessments, annual updates to the regional municipal solid waste plans, maintaining and/or developing solid waste programs and projects for local governments. The nine (9) development districts have continued to receive grant amounts based on negotiations of technical assistance to be provided to counties and regions in their districts.

Recycling Equipment – In April 1992 the recycling equipment program was initiated with guidance and application forms being mailed to approximately 500 cities, counties, solid waste authorities and non-profit recycling organizations. These grants are competitive and require a 10% to 50% match. The match is based on the economic index of each county. The following table will show the progress of the program on a year-by-year basis. At this time, more existing programs are being funded than new projects.

Fiscal Year	Applications Received	Amt. requested	Awards	Grant Amt.
1992	80	\$1,200,000	28	\$400,000
1993	36	\$586,000	25	\$402,857
1994	61	\$1,003,300	32	\$490,972
1995	79	\$1,837,309	38	\$687,368
1996	66	\$1,442,359	34	\$652,340
1997	60	\$1,500,530	38	\$611,905
1998	51	\$1,634,072	33	\$659,534
1999	58	\$1,615,700	34	\$663,216
2000	65	\$1,823,416	19	\$406,765
*2001	48	\$634,243	27	\$365,060
2003	51	\$1,144,037	27	\$427,401
2004	60	\$1,460,198	21	\$420,632
*2005	63	\$1,827,325	26	\$504,108
2007	58	\$3,006,103	19	\$379,067

*Recycling equipment grants solicited in FY 2001 were awarded in October of 2002. Recycling equipment grants were not solicited in FY 2002 or 2006.

Recycling Rebates – The Act provides funding for the eleven (11) counties and their municipalities that generate the most municipal solid waste each year. These counties are determined based on the information submitted in the Annual Progress Reports. Counties/municipalities receiving rebates are not eligible for the competitive recycling equipment grants. The budgeted amount for the rebates is based on 150% of the money allocated for recycling equipment grants. Rebate funds may only be spent for recycling purposes which include: establishing new programs/collection sites; preparing recovered materials for transport and marketing; identifying markets for recovered materials; and developing educational programs for adults and children to help them understand solid waste issues, management options and costs and the value of waste reduction and recycling. These rebates have a 50% match

Household Hazardous Waste Grants – The Act authorized grants for the cities of Chattanooga, Knoxville, Nashville and Memphis to establish permanent facilities for the collection of household hazardous waste. When the program was announced, allowable costs were limited to capital expenditures only. In addition to capital expenditures, grantees were allowed to use up to 75% of the funds for operation and maintenance.

In January of 1995, the City of Knoxville was awarded the state's first household hazardous waste grant of \$500,000. The facility became operational on April 22, 1997. In November of 1995, the City of Chattanooga was offered a household hazardous waste grant in the amount of \$500,000. Their facility began operating in January 1999. In June of 1997, the City of Nashville was offered a household hazardous waste grant in the amount of \$500,000. The first day of operation was June 26, 1999. The original grant contains operation and maintenance funding through December 31, 1999. The final household hazardous waste grant was awarded to the City of Memphis in

partnership with Shelby County in October of FY 2006. Construction on this facility is scheduled to be complete in December 2007.

The 1996 amendment to the Solid Waste Management Act authorized grants for annual operation and maintenance of these facilities.

Each permanent site is awarded \$85,000 per fiscal year. In FY 2008 through 2012, the permanent sites will be offered five-year grants.

Waste Tire Grants - The following table is based on amounts awarded to counties for the fiscal years indicated. As of July 1, 2002, shredded tires could no longer be placed in county landfills. All counties in the State of Tennessee participate in the waste tire program.

Year	Collect, shred, and landfill	Collect, recycle and fee charged	Collect and recycle	Total
FY 1996	\$612,402	\$146,278	\$858,751	\$1,617,431
FY 1997	\$628,267	\$97,414	\$1,775,262	\$2,500,943
FY 1998	\$748,621	\$24,991	\$1,734,859	\$2,508,471
FY 1999	\$849,770	\$67,304	\$3,588,022	\$4,505,096
FY 2000	\$395,322	\$38,403	\$3,268,959	\$3,702,683
FY 2001	\$338,855	\$58,436	\$3,213,070	\$3,610,361
FY 2002			\$2,828,869	\$2,828,869
FY 2003			\$3,662,913	\$3,662,913
FY 2004			\$4,662,352	\$4,662,352
FY 2005			\$4,721,554	\$4,721,554
FY 2006			\$4,162,480	\$4,162,480
FY 2007			\$4,251,762	\$4,251,762
FY 2008			\$4,200,000	\$4,200,000
TOTALS	\$3,573,237	\$432,826	\$42,928,853	\$46,934,915

Waste Tire Clean-up Grants – In FY 2007, a grant was developed to assist counties in the clean up of unpermitted waste tire sites. The Environmental Field Offices, Solid Waste Management submit sites to the division and based on these recommendations, the division solicits grants. In order to receive the grant, the county submits information on the site including the physical address, a notarized access agreement and an estimate of the tires to be removed. These grants will be continued in FY 2008.

Old Closed Landfill Initiative- New legislation authorizes the development of a grant to assist local governments with monitoring and remediation of old closed landfills determined to be contaminating ground water. No grants to date have been awarded.

Used Oil Grants- The Used Oil Collection Act authorizes grants for the establishment of collection sites where Do-it-Yourselfers can bring used oil and properly dispose of it. These grants are offered on an annual basis to upgrade, expand, or establish used oil collection sites.

Issues:

To Be Determined By Task Force

Focus Questions:

1. Are existing financial assistance efforts adequate to meet current and projected needs?
2. Would existing levels of funding be adequate to meet infrastructure needs for any statewide changes to the waste reduction goal?
3. If additional financial assistance is required, what funding mechanisms should be put in place to fund this need?
4. Are there any incentives or disincentives that should be implemented in the awarding of grants?
5. Is there any new funding area that should be developed and explored by the Department for solid waste management issues and waste reduction efforts?
6. Does the State need to continue specific financial assistance programs?
7. Does the State need to discontinue specific financial assistance programs?